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105TH CONGRESS
1ST SESSION

S. 1362

To promote the use of universal product numbers on claims forms used for reimbursement under the medicare program.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 4, 1997

Mr. GRASSLEY (for himself and Mr. BREAUX) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To promote the use of universal product numbers on claims forms used for reimbursement under the medicare program.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Universal Product Number Act of 1997".

SEC. 2. UNIVERSAL PRODUCT NUMBERS ON CLAIMS FORMS FOR REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) ACCOMMODATION OF UPNS ON MEDICARE ELECTRONIC CLAIMS FORMS.—Not later than February 1,

2000, all electronic claims forms developed or used by the Secretary of Health and Human Services for reimbursement under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) pursuant to part C of title XI of that Act (42 U.S.C. 1320d et seq.) or any other law shall accommodate the use of universal product numbers (as defined in section 1897(a)(2) of that Act (as added by subsection (b))) for covered items (as defined in section 1834(a)(13) of that Act (42 U.S.C. 1395m(a)(13))).

(b) REQUIREMENT FOR PAYMENT OF CLAIMS.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (as amended by section 4015 of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 337)) is amended by adding at the end the following:

"USE OF UNIVERSAL PRODUCT NUMBERS

"SEC. 1897. (a) DEFINITIONS.—In this section:

"(1) COVERED ITEM.—The term 'covered item' has the meaning given that term in section 1834(a)(13).

"(2) UNIVERSAL PRODUCT NUMBER.—The term 'universal product number' means a number that is—

"(A) affixed by the manufacturer to each individual covered item that uniquely identifies the item at each packaging level; and

"(B) based on commercially acceptable identification standards established by the Uniform Code Council—International Article Numbering System and the Health Industry Business Communication Council.

"(b) IN GENERAL.—No payment shall be made under this title for any claim for reimbursement for any covered item unless the claim contains the universal product number of the covered item.".

(c) DEVELOPMENT AND IMPLEMENTATION OF PROCEDURES.—From the information obtained by the use of universal product numbers (as defined in section 1897(a)(2) of the Social Security Act (as added by section 2(b))) on claims for reimbursement under the medicare program, the Secretary of Health and Human Services, in consultation with interested parties, shall periodically review the covered items billed under the Health Care Financing Administration Common Procedure Coding System and adjust such coding system to ensure that functionally equivalent covered items are billed and reimbursed under the same codes.

(d) EFFECTIVE DATE.—The amendment made by subsection (b) shall apply to claims for reimbursement submitted on and after February 1, 2001.

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SEC. 3. STUDY AND REPORTS TO CONGRESS.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study on the results of the implementation of the provisions in subsections (a) and (c) of section 2 and the amendment to the Social Security Act in subsection (b) of that section.

(b) REPORTS.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, the Secretary of Health and Human Services shall submit a report to Congress that contains a detailed description of the results of the study conducted pursuant to subsection (a), together with the Secretary's recommendations regarding the use of universal product numbers (as defined in section 1897(a)(2) of the Social Security Act (as added by section 2(b) of this Act)) and the use of data obtained from the use of such numbers.

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